

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:) Chapter 11
)
W.R. GRACE & CO., et. al.,) Case No. 01-01139 (JKF)
) (Jointly Administered)
Debtors.)
) Objection Deadline: October 24, 2011 @ 4:00 p.m.
) Hearing Date: Only if Objection is Timely Filed
)

**EIGHTEENTH MONTHLY APPLICATION OF SCARFONE HAWKINS LLP
AS SPECIAL COUNSEL FOR THE CANADIAN ZAI CLAIMANTS**

| | |
|--|--|
| Name of Applicant: | Scarfone Hawkins LLP |
| Authorized to Provide Professional Services to: | Canadian Zonolite Attic Insulation Claimants ("Canadian ZAI Claimants") |
| Date of Retention: | March 19, 2010 <i>nunc pro tunc</i> December 21, 2009 |
| Period for which compensation and reimbursement is sought: | August 1, 2011, through August 31, 2011 |
| Amount of compensation sought as actual, reasonable and necessary: | CDN \$ 6,483.75 |
| Amount of expense reimbursement (includes Harmonized Sales Tax of 13% ¹) sought as actual, reasonable and necessary: | CDN \$ 851.59 |

This Applicant's Eighteenth Monthly Application.

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¹ On July 1, 2010, the Harmonized Sales Tax (HST) took effect in Ontario and is applied to most purchases and transactions. The 13% HST replaces the federal goods and services tax (GST) and the provincial sales tax (PST).

Summary of Monthly Fee and Expense Invoice Statements for Compensation Period:

| Date Filed | Period Covered | Requested Fees (CDN \$) | Requested Expenses (CDN \$) | Paid Fees (CDN \$) | Paid Expenses (CDN \$) |
|---------------------------|--|-------------------------------------|-----------------------------|------------------------------|------------------------|
| 04/30/2010 Dkt. #24697 | December 21, 2009 - March 31, 2010 | \$ 98,678.75 Reduction -\$708.50 | \$ 10,399.55 | \$ 78,943.00 \$ 19,027.25 | \$ 10,399.55 |
| 06/01/2010 Dkt. #24878 | April 1, 2010 – April 30, 2010 | \$ 14,765.25 | \$ 812.67 | \$ 11,812.20 \$ 2,953.05 | \$ 812.67 |
| 06/30/2010 Dkt. #25015 | May 1, 2010 – May 31, 2010 | \$ 21,221.25 | \$ 3,327.71 | \$ 16,977.00 \$ 4,244.25 | \$ 3,327.71 |
| 07/28/2010 Dkt. #25127 | June 1, 2010 – June 30, 2010 | \$ 23,507.50 | \$ 2,994.15 | \$ 18,806.00 \$ 4,701.50 | \$ 2,994.15 |
| 08/31/2010 Dkt. #25297 | July 1, 2010 – July 31, 2010 | \$ 17,232.50 | \$ 2,259.90 | \$ 13,786.00 \$ 3,446.50 | \$ 2,259.90 |
| 09/29/2010 Dkt. #25497 | August 1, 2010 – August 31, 2010 | \$ 10,663.75 | \$ 1,403.95 | \$ 8,531.00 \$ 2,132.75 | \$ 1,403.95 |
| 10/29/2010 Dkt. #25666 | September 1, 2010 – September 30, 2010 | \$ 5,833.75 | \$ 2,153.94 | \$ 4,667.00 \$ 1,166.75 | \$ 2,153.94 |
| 12/03/2010 Dkt. #25858 | October 1, 2010 – October 31, 2010 | \$ 6,840.00 | \$ 897.99 | \$ 5,472.00 \$ 1,368.00 | \$ 897.99 |
| 01/05/2011 Dkt. #26018 | November 1, 2010 – November 30, 2010 | \$ 5,030.00 | \$ 653.90 | \$ 4,024.00 \$ 1,006.00 | \$ 653.90 |
| 01/28/2011 Dkt. #26132 | December 1, 2010 – December 31, 2010 | \$ 11,478.75 | \$ 1,513.55 | \$ 9,183.00 \$ 2,295.75 | \$ 1,513.55 |
| 03/08/2011 Dkt. #26512 | January 1, 2011 – January 31, 2011 | \$ 22,076.25 | \$ 4,516.93 | \$ 17,661.00 | \$ 4,516.93 |
| 04/01/2011 Dkt. #26700 | February 1, 2011 – February 28, 2011 | \$ 13,196.25 | \$ 2,535.34 | \$ 10,557.00 | \$ 2,535.34 |
| 05/12/2011 Dkt. #26925 | March 1, 2011 – March 31, 2011 | \$ 6,217.50 | \$ 808.28 | \$ 4,974.00 | \$ 808.28 |
| 06/10/2011 Dkt. #27068 | April 1, 2011 – April 30, 2011 | \$ 17,471.25 | \$ 2,475.77 | \$ 13,977.00 | \$ 2,475.77 |
| 06/30/2011 Dkt. #27196 | May 1, 2011 – May 31, 2011 | \$ 3,720.00 | \$ 493.40 | \$ 2,976.00 | \$ 493.40 |
| 08/04/2011 Dkt. #27374 | June 1, 2011 – June 30, 2011 | \$ 7,965.00 | \$ 1,067.51 | \$ 6,372.00 | \$ 1,067.51 |
| 08/31/2011 Dkt. #27534 | July 1, 2011 – July 31, 2011 | \$ 7,597.50 | \$ 989.49 | Pending | Pending |

Fee Detail by Professional for the Period of August 1, 2011, through August 31, 2011:

| Name of Professional Person | Position of the Applicant, Number of Years in that Position, Year of Obtaining License to Practice | Hourly Billing Rate ² (including changes) | Total Billed Hours | Total Fees (CDN \$) |
|---|--|--|--------------------|---------------------|
| David Thompson | Partner, 23 Years 1988 | \$525.00 | 8.55 | \$ 4,488.75 |
| Matthew G. Moloci | Partner, 13 Years 1998 | \$450.00 | 3.10 | \$ 1,395.00 |
| Cindy Yates | Law Clerk, 30 Yrs., 1985 | \$120.00 | 5.00 | \$ 600.00 |
| Grand Total | | | 16.65 | \$ 6,483.75 |
| Blended Rate | | | | \$ 389.41 |
| Blended Rate (excluding Law Clerk time) | | | | \$ 505.04 |

Monthly Compensation by Matter Description for the Period of August 1, 2011, through August 31, 2011:

| Project Category | Total Hours | Total Fees (CDN \$) |
|------------------------------------|--------------|---------------------|
| 04 - Case Administration | 13.35 | \$ 4,833.75 |
| 11 - Fee Applications, Applicant | 2.80 | \$ 1,417.50 |
| 14 - Hearings | 0.00 | 0.00 |
| 16 - Plan and Disclosure Statement | 0.00 | 0.00 |
| 20 - Travel (Non-Working) | 0.00 | 0.00 |
| 24 - Other | 0.50 | \$ 232.50 |
| TOTAL | 16.65 | \$ 6,483.75 |

² Scarfone Hawkins LLP increased its hourly rates as of January 1, 2011.

Monthly Expense Summary for the Period August 1, 2011, through August 31, 2011:

| Expense Category | Service Provider (if applicable) | Total Expenses |
|--------------------------------|----------------------------------|-----------------|
| Photocopies (In House) | | 0.00 |
| Postage | | 3.54 |
| Courier Charge | | 0.00 |
| Travel – Meals | | 0.00 |
| Long Distance Calls | | 4.16 |
| Harmonized Sales Tax (HST) 13% | | 843.89 |
| TOTAL | | \$851.59 |

PLEASE TAKE NOTICE that Scarfone Hawkins LLP (the “Applicant”) has today filed this Notice of Monthly Fee and Expenses Invoice for August 1, 2011, through August 31, 2011, (this “Monthly Fee Statement”)³ pursuant to the Modified Order Granting The Canadian ZAI Claimants’ Application for Appointment of Special Counsel [Docket No. 24508] and the Amended Administrative Order Under 11 U.S.C., §§ 105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members [Docket No. 1949].

PLEASE TAKE FURTHER NOTICE that responses or objections to this Monthly Fee Statement, if any, must be filed on or before October 24, 2011, at 4:00 p.m. (prevailing Eastern Time) (the “Objection Deadline”) with the United States Bankruptcy Court for the District of Delaware, 824 Market Street, Wilmington, Delaware 19801.

³Applicant’s Invoice for August 1, 2011, through August 31, 2011, is attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that you must also serve a copy of any such response or objection upon the Notice Parties so as to be received by the Notice Parties on or before the Objection Deadline.

PLEASE TAKE FURTHER NOTICE that upon the expiration of the Objection Deadline, the Applicant shall file or cause to be filed with the Court, and serve on the Notice Parties, a certificate of no objection, certifying that no objection, or a partial objection, has been filed with the Court relative to this Application, whichever is applicable, after which the Debtors are authorized and required to pay the Applicant an amount equal to (a) eighty percent (80%) of the fees and one hundred percent (100%) of the expenses requested in the Monthly Fee Statement or (b) eighty percent (80%) of the fees and one hundred percent (100%) of the expenses not subject to any objection. All fees and expenses in this Monthly Fee Statement will be included in the next quarterly application for compensation and reimbursement of expenses to be filed and served by the Applicant at a later date, and will be subject to objections at such time.

PLEASE TAKE FURTHER NOTICE that Applicant respectfully requests that, for the period August 1, 2011, through August 31, 2011, an allowance be made to Scarfone Hawkins LLP for compensation in the amount of CDN \$6,483.75 and actual and necessary expenses in the amount of CDN \$851.59 (Includes 13% Harmonized Sales Tax) for a total allowance of CDN \$7,335.34; Actual Interim Payment of CDN \$5,187.00 (80% of the allowed fees) and reimbursement of CDN \$851.59 (100% of the allowed expenses) be authorized for a total payment of CDN \$6,038.59; and for such other and further relief as this Court may deem just and proper.

PLEASE TAKE FURTHER NOTICE that Applicant believes that the Application and the description of services set forth herein of work performed are in compliance with the requirements of Delaware Local Rule 2016-2, the Amended Administrative Order, and the applicable guidelines

and requirements of the Bankruptcy Code, Federal Rules of Bankruptcy Procedure, and the Executive Office for the United States Trustee. A true and correct copy of the Certification of David Thompson is attached hereto as **Exhibit B**.

Dated: October 4, 2011

Respectfully submitted,

By: /s/ Daniel K. Hogan
Daniel K. Hogan (DE Bar No. 2814)
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**Counsel to the Representative Counsel as Special
Counsel for the Canadian ZAI Claimants**